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NOTE BY THE SECRETARY-GENERAL

The Secretary-General has the honour to transmit to the members of the Security Council the attached communication that he has received from the Director General of the International Atomic Energy Agency (IAEA).

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Annex

Letter dated 2 May 1995 from the Director General of the International Atomic Energy Agency addressed to the Secretary-General

By a letter to you on 16 November 1994 (S/1994/1310), I described the latest developments over safeguards implementation in the Democratic People's Republic of Korea, in particular in the light of the "agreed framework", signed in Geneva on 21 October 1994 by the United States of America and the Democratic People's Republic of Korea, and of the statement of 4 November 1994 by the President of the Security Council (S/PRST/1994/64). Through that statement, the Security Council, inter alia:

(a) Took note of the decision of the Democratic People's Republic of Korea in the agreed framework to remain a party to the Treaty on the Non-Proliferation of Nuclear Weapons and to come into full compliance with the IAEA-Democratic People's Republic of Korea Safeguards Agreement (INFCIRC/403) under the Treaty;

(b) Underlined that the Safeguards Agreement remained binding and in force and looked to the Democratic People's Republic of Korea to act thereon;

(c) Noted with approval the decision of the Democratic People's Republic of Korea in the agreed framework to freeze its graphite-moderated reactors and related facilities;

(d) Requested IAEA to take all steps it might deem necessary as a consequence of the agreed framework to monitor the freeze;

(e) Requested IAEA to continue to report to it on the implementation of the Safeguards Agreement until the Democratic People's Republic of Korea had come into full compliance with the Agreement and to report to the Council on its activities related to monitoring the freeze of the specified facilities.

My letter of 16 November 1994 reported that, following the 4 November statement by the President of the Security Council, I convened a meeting of the Agency's Board of Governors on 11 November to explain the IAEA secretariat's understanding of the measures that the Security Council had requested the Agency to take and to obtain the Board's authorization in that regard. At the conclusion of its meeting, the Board of Governors:

(a) Authorized the Director General to carry out all the tasks requested of the Agency as outlined in the presidential statement of the Security Council on 4 November 1994;

(b) Requested the Director General to report to it periodically and to the Security Council as appropriate on the implementation of the IAEA/Democratic People's Republic of Korea safeguards agreement and on the Agency activities related to monitoring the voluntary measure of the freeze on specified facilities in the Democratic People's Republic of Korea.

In the latter connection, I submitted a written report (GOV/2687/Add.10 of 6 March 1995) to the Agency's Board of Governors for its meeting from 27 to 31 March 1995. I also made a statement to the Board, on 27 March, in which I highlighted points arising from the report. These included the verification measures currently being implemented in the Democratic People's Republic of Korea and issues to be addressed at further technical talks between representatives of the Democratic People's Republic of Korea and an Agency technical team.

Having concluded its consideration of the item on its agenda relating to the Democratic People's Republic of Korea, the Board of Governors expressed the hope that further agreement would be reached on issues outstanding between the Agency and the Democratic People's Republic of Korea and reiterated earlier requests to me to be kept informed about developments.

I attach a copy of my report of 6 March to the Agency's Board of Governors (GOV/2687/Add.10). I should be grateful if you would bring it, with this letter, to the attention of the Security Council, to which I shall continue to report as requested.

(Signed) Hans BLIX

Appendix

**REPORT BY THE DIRECTOR GENERAL
ON THE IMPLEMENTATION OF THE AGREEMENT BETWEEN
THE INTERNATIONAL ATOMIC ENERGY AGENCY AND
THE DEMOCRATIC PEOPLE'S REPUBLIC OF KOREA
IN CONNECTION WITH THE TREATY ON
THE NON-PROLIFERATION OF NUCLEAR WEAPONS (INFCIRC/403)
AND ON THE PRESIDENTIAL STATEMENT ADOPTED BY
THE UNITED NATIONS SECURITY COUNCIL ON
FRIDAY, 4 NOVEMBER 1994**

1. In his report to the Board of Governors (GOV/2687/Add.9) of 8 November 1994, the Director General informed the Board about latest developments over safeguards implementation in the DPRK, in particular in the light of the "Agreed Framework" signed in Geneva on 21 October 1994 by the USA and the DPRK (INFCIRC/457) and of the statement of 4 November 1994 by the President of the Security Council. Through this Statement, the Security Council, inter alia:

- took note of the decision of the DPRK in the "Agreed Framework" to remain a party to the Treaty on the Non-Proliferation of Nuclear Weapons and to come into full compliance with the IAEA-DPRK Safeguards Agreement (INFCIRC/403) under the Treaty;

- underlined that the Safeguards Agreement remains binding and in force and looked to the DPRK to act thereon;

- noted with approval the DPRK's decision in the "Agreed Framework" to freeze its graphite-moderated reactors and related facilities;

- requested the IAEA to take all steps it may deem necessary as a consequence of the Agreed Framework to monitor the freeze and;

- requested the IAEA to continue to report to it on the implementation of the Safeguards Agreement until the DPRK has come into full compliance with the Agreement and to report to the Council on its activities related to monitoring the freeze of the specified facilities.

2. At its meeting on 11 November 1994, the Board of Governors, inter alia:

- took note of the Agreed Framework between the DPRK and the United States, concluded on 21 October 1994 and of the decision of the DPRK in the Agreed Framework to remain a party to the NPT and to come into full compliance with the IAEA/DPRK safeguards agreement;

- reaffirmed that the safeguards agreement between the IAEA and the DPRK remained binding and in force;

- authorized the Director General to carry out all the tasks requested of the Agency as outlined in the Presidential Statement of the United Nations Security Council on 4 November 1994; and

- requested the Director General to report to it periodically and to the Security Council as appropriate on the implementation of the IAEA/DPRK safeguards agreement and on the Agency activities related to monitoring the voluntary measure of the freeze on specified facilities in the DPRK.

3. Subsequently, a technical team from the Department of Safeguards, visited the DPRK from 23-28 November 1994 to discuss the verification measures which the IAEA has to perform at nuclear facilities in the DPRK. In his statement to the Board on 8 December 1994, the Director General said that discussions between the Agency and DPRK representatives had been useful and constructive. Implementation of some of the verification measures required was already under way. Arrangements had been made to enable the Agency to meet most of its objectives although a few remaining areas required further technical consideration and discussion with DPRK representatives.

4 During their visit to the DPRK in November 1994, the IAEA technical team visited all the nuclear facilities subject to the freeze in Nyongbyon and the reactor under construction in Taechon. The team confirmed that the following facilities were not in operation and that construction work had stopped:

- The Nyongbyon 5 MWe Experimental Nuclear Power Plant.
- The Nyongbyon Nuclear Fuel Rod Fabrication Plant.
- The Radiochemical Laboratory of the Institute of Radiochemistry of Nyongbyon.
- The Nyongbyon 50 MWe Nuclear Power Plant (under construction).
- The Taechon 200 MWe Nuclear Power Plant (under construction).

During discussions with representatives of the DPRK, the Agency team described the activities that the Agency would need to perform at DPRK facilities subject to the freeze, and at those facilities not subject to the freeze referred to in the Agreed Framework.

5. The DPRK representatives made clear to the Agency team that the DPRK does not view acceptance of measures required by the Agency to monitor the freeze at specific nuclear facilities as being under its Safeguards Agreement with the Agency but only in the context of the Agreed Framework signed by the DPRK and the United States. The DPRK side also said that the DPRK will allow full implementation of the Safeguards Agreement "when the time comes", which the DPRK appears to regard as when a significant portion of the Light Water Reactor (LWR) project, foreseen in the Agreed Framework, is completed and the DPRK then comes into full compliance with its Safeguards Agreement. The DPRK side indicated that, until then, the Agency can carry out ad hoc and routine inspections under the Safeguards Agreement only at nuclear facilities in the DPRK not covered by the freeze and not at the facilities under the freeze. Relevant facilities are:

- The IRT Research Reactor.
- The Critical Assembly.
- The Sub-Critical Assembly.
- The Nuclear Fuel Rod Storage, and
- Locations Outside Facilities.

6. Notwithstanding the continuing difference of view between the Agency and the DPRK as to the current status of the Safeguards Agreement, the DPRK has responded positively towards a number of safeguards measures that the Agency needs to perform to continue implementation of safeguards in the DPRK, including measures required for monitoring the freeze. The DPRK has accepted the Agency's understanding of the freeze in the report of the Director General in GOV/2687/Add.9 and has also agreed to definitions of technical buildings constituting parts of a facility for the purpose of monitoring the freeze. The Agency team visited the technical buildings and verified their status. They also reached agreement with the DPRK that, if any technical building changes its design and scope of operation in a way which makes it no longer relevant for the purposes of the freeze, the Agency will be informed in advance so that consultations can be made with the DPRK to facilitate the Agency's visits to verify the new scope of operations. It was also agreed that, if any nuclear-related equipment and components are removed from facilities under the freeze, to be used elsewhere, the Agency will also be informed in advance and the DPRK will facilitate the Agency's visits to verify the new end-use of such equipment and components.

7. At particular facilities under the freeze, the DPRK has accepted verification of nuclear material and of design information, the application of seals, surveillance and other monitoring techniques on material, equipment and on containment and also the taking of photographs. At other facilities under the freeze however, the DPRK side has not so far enabled the taking of measurements by the Agency because such measurements are associated, in their view, with the verification of historical data relevant to the accuracy and completeness of the DPRK's initial declaration of its nuclear material and facilities, an issue to be addressed at a later stage.

8. Between 21-28 January 1995, the Agency technical team again visited the DPRK. The two sides discussed the status of the implementation of those verification measures already agreed and continued to discuss the technical issues which had been left open since the meeting in November 1994.

9. The Agency team also discussed with DPRK representatives the results of the inspections which had been performed since the meeting in November at facilities under the freeze. The DPRK representatives continued to make clear that the DPRK's basic attitude towards the status of the Safeguards Agreement has not changed. Also, whilst the DPRK can accept containment and surveillance measures, it has declined measures (level and density measurements) which the Agency considers necessary to monitor that there is no movement or any operations with regard to nuclear liquid wastes in the Radiochemical Laboratory. The

DPRK has also declined measurements relevant to assessing the total amount of plutonium contained in the spent fuel from the DPRK's 5 MWe Experimental Nuclear Power Plant. Up until now the Agency has not been able to take any measurements of the plutonium in the spent fuel. The Agency needs to take such measurements during the transfer of the spent fuel into containers for storage planned for late Spring 1995. The taking of the measurements at this time is important. This is because the spent fuel will remain sealed in containers for a long time. Taking measurements after a number of years would be a costly and technically complicated operation. All these issues remain open for further discussion.

10. Also during the Agency team's visit to the DPRK in January 1995, the DPRK side invited the team to visit the location where the nuclear graphite blocks that had been manufactured for use in the 50 MWe reactor core are being stored. The DPRK representatives told the Agency team that only some of the graphite blocks had been manufactured and that the production of other, important reactor-related equipment and components had stopped long ago. The DPRK has undertaken to give the team further information about these matters, including as relevant also to its 200 MWe reactor. The issue of whether such equipment and components (not currently installed in any nuclear facility under the freeze) will be subject to the freeze arrangements will be clarified during a further round of technical discussions between the Agency and DPRK scheduled to take place in the Spring.

11. The Agency team explained that the Agency activities discussed in November 1994 and in January 1995 regarding facilities under the freeze were aimed at verifying the freeze, i.e. that there is no operation or construction work undertaken at the relevant nuclear facilities in the DPRK other than any maintenance work monitored by the Agency. The discussions, so far, have not addressed the steps that the Agency deems necessary for the DPRK to take to meet its undertaking to preserve, intact, all information relevant to the verification of the accuracy and completeness of the DPRK's initial declarations. This is an important issue. The report of the Director General in GOV/2687/Add.9 of 8 November 1994 makes clear that the Agency's ability to verify full compliance with the IAEA/DPRK Safeguards Agreement will depend substantially on the extent to which all relevant information will remain available. The Agency is finalising its requirements with regard to the information it needs. This will require inputs from the DPRK. The requirements will be subject to discussion between the IAEA and the DPRK.

12. The Agency has maintained a continuous inspector presence in the Nyongbyon area since May 1994. At the end of November 1994, Agency inspectors started to implement agreed measures at the DPRK facilities with the co-operation of the DPRK authorities and operators. Furthermore, in January 1995, the DPRK accepted the designation of 10 additional IAEA inspectors, bringing the total up to 20 designated inspectors for the DPRK. This will facilitate inspections. On the other hand, some of the measures required for safeguards implementation in the DPRK, including the monitoring of the freeze, have so far been declined by the DPRK. As stated in paragraph 10 above, a further round of technical discussions is scheduled to take place in the Spring.

13. The Director General will continue to report to the Board on the implementation of the Safeguards Agreement with the DPRK, including the monitoring of the freeze.